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ABSTRACT

This paper highlights the findings of two studies conducted by Market Opinion Research for Data Courier Inc., both of which focused on textual or bibliographic business information. The first study consisted of interviews with 535 known searchers of the ABI/INFORM file, a product of Data Courier Inc. The purpose was to determine the habits, needs, and perceptions of information professionals using the system. The second study involved a telephone survey of 508 executives and managers who had purchased information from a major consulting firm in an attempt to obtain a profile of the person who makes decisions using information from online systems. This paper presents data from the studies pertinent to three areas: today's information environment, the role of information professionals, and managers or end users. The findings of the studies indicate that in the present market, information professionals carry the online burden; the future market--the executives or managers--is just beginning to realize the power and limitations of online. Of the issues to be addressed by database producers in the months ahead, the most challenging are delivery, new products, pricing, positioning, training, and selling. (DMC)

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TRENDS AMONG USERS OF ONLINE BUSINESS INFORMATION: HIGHLIGHTS FROM TWO STUDIES OF INFORMATION PROFESSIONALS AND THEIR CLIENTS

Information Industry Association
November 9, 1982

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TRENDS AMONG USERS OF ONLINE BUSINESS INFORMATION: HIGHLIGHTS FROM TWO STUDIES OF INFORMATION PROFESSIONALS AND THEIR CLIENTS

Who are our customers? What do they want from information resources? These are the two basic questions Data Courier tried to answer in 1981.

Our firm, a unit of the Courier-Journal and Louisville Times Company, publishes textual business information databases. One of our products, ABI/INFORM, has been available online since 1973 and produces profits for our parent firm.

With a large and growing client base, we wanted to get a firm grasp on where the rapidly-changing textual information market might go. Our approach was to retain Market Opinion Research, based in Detroit, to conduct two studies which would focus on textual or bibliographic business information:

- The first consisted of interviews--in person and by telephone--with 535 known searchers of the ABI/INFORM file. This sample was drawn at random by MOR from our customer records. The purpose was to give us an accurate picture of our customers' habits, needs and perceptions. These are people we will call "information professionals," intermediaries or librarians

- The second study consisted of a telephone survey of 508 executives and managers who had purchased information from a major consulting firm. The availability of a high quality listing of upper management personnel enabled us to develop a better snapshot of the person who ultimately makes decisions using information from online systems.

A large portion of this research program, which took nearly 12 months to complete, explored a number of issues pertinent to Data Courier's product development activities. Consequently, while we wish to present detailed results, a wealth of information about pricing, new product needs, product evaluations and certain technical trends within market segments will not be discussed.

To capture the broad implications of our studies, data pertinent to three areas will be presented today:

- Today's information environment

- What we learned about the role of information professionals

- Managers or end users.

The Environment

In an information-sensitive organization (which our sampling techniques sought to explore) users of online data can be found in almost any tier of middle to upper level management. This study demonstrated that in the years ahead these online users are likely to grow in numbers.

This growth is primarily a function of management's perception that textual data will increasingly focus upon their specific information needs.

Typically, users of online information are found in organizational units where there is greater sensitivity to the world outside the corporation.

TABLE 1
Use of Company-Specific Information for Various Tasks

	Total Sample
Competitive Analysis	
Yes	80%
No	17
Don't Know/Refused	3
Product Development Ideas	
Yes	70%
No	27
Don't Know/Refused	3
Sales Prospecting	
Yes	54%
No	42
Don't Know/Refused	4
Acquisition Investigations	
Yes	50%
No	44
Don't Know/Refused	5
Identifying New Suppliers	
Yes	49%
No	47
Don't Know/Refused	5
Executive Recruitment	
Yes	19%
No	74
Don't Know/Refused	7
(BASE)	(508)

In general, business people want company-specific information. They use this company-specific information for competitive analysis and product development. Less important is its use for sales, acquisition, and new supplier prospecting. Least important is executive recruitment.

In analyzing the characteristics of information professionals or librarians, two distinct classifications emerge. There are those whom we could label passive providers of online information. In essence, providing online search services to those specifically requesting such information. This contrasts with those who actively promote the use of online searching. Surprisingly, many of the passive providers commented that they are already overwhelmed with requests for this information service.

Despite efforts by timesharing systems to reach managers directly, information professionals continue to play a critical and time-consuming role in search preparation activities; for example, establishing objectives and developing the searching methodology.

The major constraint to effective searching is the inability of the business person to define accurately his/her information needs to the librarian who does the searching.

The Information Professional (Librarian)

Let's look at some specific findings pertaining to the information specialists.

First, who are the information professionals who use ABI/INFORM for online business information and what are their principal characteristics?

1. Fifty-five percent are from business, 29 percent academic, and 13 percent government.

2. Forty-five percent of our sample said that scientific searches still represent 60 percent or more of the requests received.

4. Ninety-five percent of those surveyed use DIALOG, the dominant timesharing system for our sample.

5. Almost half (45%) have access to facsimile transmission equipment

6. Slightly more than 1/3 (37%) said they use a 1200 baud terminal, and 16% say they have both a 300 and 1200 baud terminal.

   More important, in terms of its pricing implications, is the finding that 47 percent of the market that doesn't currently have access to high speed terminals is planning--soon--to have it on hand.

7. Almost 1/3 (32 percent of the sample) said their library has ordered subscriptions for journals which were discovered through online business searches. However, we did not ask how many subscriptions have been dropped as a consequence of online searching.

In reviewing an evaluation of several competitive databases, there is a consistent message that indexing is considered an area of weakness for our industry.

TABLE 2
Database Evaluation Criteria
(% Rating Each Database as being "Excellent" or "Good")

	Database Users*			
	ABI/INFORM	File B	File C	File D
Content	81%	75%	73%	83%
Accuracy	76	75	67	75
Currency	75	70	75	83
Abstract Quality	74	60	48	69
Source Material Coverage	73	70	78	75
Indexing	63	57	62	52
(BASE)	(438)	(408)	(356)	(194)

*Use the database "always", "often" or "sometimes".

We believe this is due to the imprecise nature of business and management terminology--for example, "wellness programs" has something to do with employee benefits, not healthy workers.

The data arrayed on Table 3 also indicates that information professionals find it difficult to differentiate between textual databases using the criteria shown here.

Finally, we learned that article retrievals, which some database publishers believe are a necessary but expensive evil, are often provided through corporate libraries.

TABLE 3
Use of Library for Full-Text Copies

When you need full-text copies of articles, what percentage of the time do you use an internal library collection to supply them?	Total Sample
100% of the time	12%
50-90% of the time	49
49% of the time or less	25
Never	5
It varies	2
Whenever possible	2
Don't Know/Refused	4
(BASE)	(500)

Sixty-one percent of these searchers rely on their own article collections for at least half of their full text information requests. However, article retrieval services remain a useful backup for professionals who do not have a large collection. Now, what about the end user study?

Selected Results From Our Manager Study

Business executives, managers or end users are, in a sense, the arbiters of new product successes. Our second study focused on identifying information that these individuals would find useful in their problem solving at work. At the outset, managers--all 508 interviewed--were able to say what they did not want. If a firm is planning to introduce a file which offers corporate histories, biographies of executives, or product descriptions online, our results suggest caution.

One clear signal from the second study is that managers want proprietary information about privately-held companies. So much for surprises.

There were, on the other hand, some interesting facts which emerged from this study:

1. Over half of those surveyed (54.5%) are familiar with online searching.

2. 44 percent actually use online information. Let's look at this group more closely.

TABLE 4
Use of Online Searches

How frequently do you use the results of online searches?	Familiar with online
Very often	35%
Sometimes	30
Rarely	14
Never	20
Not familiar with online	--
Don't know/Refused	2
(BASE)	(277)

(If Yes) Do you conduct these searches yourself?	
Yes	37%
No	59
Sometimes	3
Don't know/Refused	1
(BASE)	(217)

3. About 40 percent of these use online searches very often.

4. A surprising 37 percent of those familiar with online conduct their own searches. (The reasons for not personally conducting online searches often centered on convenience. Some executives found it easier to use the library or to rely on a consulting firm.)

Finally, one finding underlines the importance of ready access to the equipment necessary to search.

TABLE 5
Presence of Computer Terminal in Departments Where Results are Used Frequently

Do you have a computer terminal in your department?	Total Sample
Yes	68%
No	32
(BASE)	(508)

The Outlook

Reviewing the data gathered in our studies, we see a number of trends emerging in the information industry.

- The wealth of online databases has created a booming industry and also made it difficult for both information professional and manager to select, in a fully informed way, among the available files.

- Awareness of online searching is higher among managers than we realized.

- Companies are making or anticipating sizeable capital investments in online equipment to meet growing demands for information.

- As more equipment with communication capabilities becomes available, more searching is likely to occur.

- Uses of online information are as varied as the particular business problems executives face each day. The possibilities range from "management training" to "strategic planning," and from "business intelligence" to "product development."

- New product development in the online business will remain a tricky, difficult and risky undertaking. Consumers of information don't know what they want--only what they think they need to solve a specific problem.

Conclusion

We firmly believe the time and money for these two studies was wisely spent. It is clear that the growth of the online industry will continue, but it will be an evolutionary process filled with unexpected twists and turns.

Simply making information available online will not guarantee a profitable publishing venture. The present market of information professionals carries the online burden; the future market--the executives or managers--is just beginning to realize the power and limitations of online.

Complex issues must be addressed in the months ahead by our firm and our colleagues in this business. Among the most challenging are delivery, new products, pricing, positioning, training and selling. These are questions for us, and perhaps others in our industry, to explore and research.